

## **Effect of Coronavirus (Covid-19) Pandemic on the Performance of Women into Micro and Small Enterprises (MSES) in Gombe State, Nigeria**

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### **Abstract**

The main purpose of the study is to ascertain the effect of coronavirus (COVID-19) pandemic on performance of women entrepreneur's into micro and small enterprises (MSEs) in Gombe state, Nigeria. Coronavirus pandemic is ravaging the world populace, which is leading to global economic crisis. Businesses across the globe are feeling the negative effect of the coronavirus pandemic threatening their going concern status. Micro and small enterprises in Gombe state are not left out in the share of this negative effect of the invisible enemy, thus this conceptual review study the effect of Covid-19 pandemic on the performance of women entrepreneurs into micro and small enterprises in Gombe state. A descriptive survey research design will be used in this study to assess the performance of women entrepreneurs into micro and small enterprises in the state. The data will be source from questionnaires that will be administered to women entrepreneurs in Gombe state. The population of the study will consist of 528 business women who are registered with the ministry of commerce, trade and industry Gombe state. The sample of this research will be calculated by using Taro Yamane (Yamane, 1973) formula with 95% confidence level. And a sample of 228 registered women will be use.

The finding of this study will be a source of solution to be implemented by Gombe state government and women into MSEs to cope with and improve their performance in the era of coronavirus pandemic. In addition, women entrepreneurs in Gombe state will develop a strategy on how to encourage establishing or expanding micro and small enterprises for better business performance. The aftereffects of the study will also contribute towards filling the gap on the topic. It is trusted that the discoveries of the study will make significant augmentations to the writing in the field of Coronavirus and performance of women entrepreneurs fortifying further interest.

**Keywords:** Coronavirus, women entrepreneurs, Micro and small enterprises, performance.

### **1. INTRODUCTION**

The novel coronavirus disease first identified in Wuhan, a city in China late last year has spread rapidly to almost every region of the world (Aifuwa, Saidu & Aifuwa, 2020). This dreaded virus has caused a negative impact on the global economy, which has led to the crisis in businesses across the globe. Aifuwa Saidu & Aifuwa (2020) submit that coronavirus disease has negatively affected both the financial and non-financial performance of business in Nigeria. These pandemic has caused low performance in business activities, especially women into micro and small enterprises in the country.

Despite large awareness campaign embarked on by the Nigeria center for disease control (NCDC) and state government, there still exist misconception by the public on the knowledge of the diseases – that the virus does not exist and that is a ploy by federal government to embezzle public funds (Hassan, 2020). Abati (2020) opine that because of superstitious beliefs Nigerians ignore health advice on social distancing. They spread false news and create fear in the public through various social media platforms (Hassan, 2020). Government and social media cannot spread the awareness of the disease in Nigeria. With business firms resuming operations fully in a month's time, it is imminent that they would face the same problem of the social distancing. Micro and small enterprises can help strengthen and enforce the social distancing policies and other health measures by creating policies on sitting arrangement and crowd control in business places,

This study will therefore, help in understanding how coronavirus pandemic affect the performance of women in micro and small enterprises both financially and non-financially in the state and the way forward. The research will therefore address that gap that is viewed as the negative effect of coronavirus on the performance of women in micro and small enterprises both financially and non-financially in Gombe state. This concept builds upon the various insights that have been undertaken by various researchers in the business and gender field to bridge the gap of the strategic implementation of gender discrimination and violence in business to gain performance (both financial and non-financial performance).

Several studies have concluded that lack of education, is one of the major factors that negatively affect performance of women enterprises; however this has also, affected women in the north which Gombe is one of them. As a result, A study by Anthony, (2012) in his study on factors influencing the performance of women entrepreneurial ventures and the evident performance of micro and small enterprises, concludes that Educational training is seen as major variable influencing the performance of women entrepreneurial ventures where women lack entrepreneurial training and management skills to achieve the full business performance. Hope, Saidu and Success (2020), Advocates that coronavirus pandemic negatively affects firm performance in Nigeria. This study, therefore recommend that the government should include women entrepreneurs business in its stimulus package or palliative programs in Gombe state, to keep private businesses in operation after the pandemic. Their survey was aimed at understanding the impact of the Coronavirus crisis on micro, small and medium enterprises especially considering the early lockdown in Lagos and Abuja, the commercial and political capitals of the country, and other issues associated with the period. Specifically, the survey sought to determine the challenges of the businesses, the nature of the measures taken to cushion the effects and also to examine the type of support needed.

Lola (2020) advises that strategy should be implemented towards achieving full performance of women in micro and small enterprises potential. Many scholars therefore agree that there is a significant relationship between coronavirus pandemic and business performance. Muli (2016) and Anthony(2012) in their work also argue that women entrepreneurs are given less attention compared to their men's counterpart. Women are the pillars of economic expansion in many developing states. Global entrepreneurship monitor (GEM) 2012 reports that women entrepreneurs generate jobs, wealth and innovation across 37 countries surveyed. The literature and conclusions from Hassan

(2020), Hope, Saidu and Success (2020), Addi, R. A., Benksim, A., Amine, M., & Cherkaoui, M. (2020) and Kim, Kim, Lee, and Tang (2020) fail to answer specific questions that are related to effect of coronavirus on the performance of women entrepreneurs, Most of the studies were focused on impact of coronavirus pandemic on SMEs in Nigeria and how its affect their performance. This study will therefore be focused on the effect of coronavirus on performance of women entrepreneurs into micro and small enterprises in Gombe state.

### **1.1 Objective**

The main objective of the study is to ascertain the effect of coronavirus pandemic on performance of women entrepreneur's into micro and small enterprises in Gombe state, Nigeria. The specific objectives are to

- i Examine the relationship of coronavirus pandemic on financial performance of women entrepreneur's in micro and small enterprises in Gombe state, Nigeria.
- ii Examine the relationship of coronavirus pandemic on non - financial performance of women entrepreneur's in micro and small enterprises in Gombe state, Nigeria.

## **2. LITERATURE REVIEW**

### **2.1 Conceptual Review**

#### **2.1.1 The concept of performance of women entrepreneurs**

Performance has been defined as the resultant of effort in the form of activities of the business enterprises which includes its strategy and operational activities, management of all segments of business enterprises such as the human resource, finance, production, marketing. Leitner (2000). All business of its size or status, focal target is to enhance its performance by impressing it shareholders and retaining its image before its customers. These are the modalities of measuring the performance and what extend does it impact on the sustainability of the firm or business? Enterprises and or organizations changes adversely along with the situation either forward or backward, but understanding their status (performance) is key to every entrepreneur. Performance is a focal, complex and is a multidimensional phenomenon in managing business and it is used to refer to the entrepreneurial performance in the market, which may have different outcomes.

According to Pierre, (2004) Organizational performance encompasses three specific areas of firm outcomes: (1) financial performance (profits, return on assets, return on investment, etc.); (2) market performance (sales, market share, etc.); and (3) shareholder return (total shareholder return, economic value added, etc.). However, it has been critiqued that financial measures lack predictive ability to explain future performance, reward short-term or incorrect behaviour, provide little information on root causes or solutions to problems, and give inadequate consideration difficult to quantify intangible assets such as intellectual capital. As a result, many firms are supplementing financial metrics with a diverse set of non-financial performance measures that are believed to provide better information on strategic progress and success (Ittner, 2003).

The performance of women entrepreneurs within their businesses has become an important area of recent policy and academic debate. Comparatively little rigorous and in-depth research, however, has been carried out on the issues relating to gender and business performance, particularly in Nigeria. Performance is the act of performing; of

doing something successfully; using knowledge as distinguished from merely possessing it. Nevertheless, performance appears to be conceptualized, operationalized and measured in various ways (Hisrich & Brush, 1986), thus making cross-comparison difficult. Survival, employee growth, and profitability are among the most frequently used operations (Hisrich & Brush 1984).

**2.1.2 Financial performance** is a subjective measure of how a firm makes effective and efficient use of its assets for resource generation (Nnamani, Onyekwelu & Ugwu, 2017). The financial performance of an organization is classified in subsets of profitability performance (return on assets (ROA), return on equity (ROE), return on investment (ROI), economic value added (EVA), net income /revenue and earnings before interest, tax, depreciation and amortization margin (EBTIDA), market value performance (earnings per share (EPS), change in stock price, dividend yield, stock price volatility, market value added (MVA) and Tobin Q) while growth dimension of performance consists of market share growth, asset growth, net revenue growth, net income growth and many employees growths (Santos & Brito, 2012).

**2.1.3 Non-financial performance** Measures include performance of the employees, social performance, performance in corporate governance and environmental performance. The study aims to measure the financial and non-financial performance of micro and small enterprises women in the state of Gombe. The coronavirus pandemic in Nigeria has resulted in business leaders and owners having to swiftly mobilize and make short term decision. A decision such as the reduction in production output and or even shutting down operation temporarily could have long term implications that may not be foresighted. This, thus, will have an impact on private business financial performance, as a result of the lockdown policy or order by the President of the Federal Republic of Nigeria.

#### **2.1.4 Coronavirus (COVID-19) Pandemic**

The Coronavirus disease also called COVID-19 emerged in December 2019 in China in Wuhan city in Hubei province of China (McKibbin & Fernando, 2020). This pandemic has spread across 210 countries and territories around the world and 2 international conveyances (Worldometers,2020). Following the outbreak in China, the virus has recorded new epicentres for its outbreak, the United States of America, Spain, Italy, France and Germany, having confirmed cases of over a hundred thousand (Worldometers, 2020). Amidst, the risk posed by this virus on public health, the World Health Organization (WHO) has declared it as a global pandemic and calls for health sectors of the world and government to take it seriously (McKibbin& Fernando, 2020). The spread of the infectious disease is still on the rise despite many efforts people and government of nations to contain it, such as containment, an individual measure of protection, the authorization of the use Hydrochloroquine and other drugs that have not been clinically tested (Addi, R. A., Benksim, A., Amine, M., &Cherkaoui, M. (2020).

There are uncertainties as to how the COVID-19 is transmitted, although most medical researcher and centers for disease control have noted that it is transmitted via a fluid contact with an infected person (Kim, 2020, Addi et al, 2020, Bai, Yao, Wei, Tian, Jin, Chen & Wang, 2020, NCDC,2020). They further noted that symptoms of the disease on an individual includes, sore throat, dry cough, fever, shortness of breath, and in the worse stage acute pneumonia and death. According to NCDC (2020), the incubation period for

COVID-19 is between 2-14 days. Bai et al (2020) asserted that the reason for the high level of the spread of the virus on individuals across the globe as a result of the symptomatic and asymptomatic nature. Failure to identify and properly manage both symptomatic and asymptomatic COVID-19 cases by mass/wide COVID-19 testing or screening of the population puts the race at risk (Addi et al, 2020), also this would significantly affect the way of life of people, as well as businesses across the globe.

## **2.2 Theoretical Review**

The study will be guided by the rational choice theory and Balance scorecard (BSC) theory.

### **2.2.1 The Rational Choice Theory**

This study is hinged on the Rational Choice Theory. The Rational Choice Theory also is known as the Choice theory is an economic principle that assumes that individual always makes prudent and logical decisions that provide them with the highest and personal benefits or satisfaction. The theory is based on the assumption that individual tries to actively maximize their advantage in any situation and therefore consistently try to minimize their losses (Wikipedia, 2020).

In this study, this theory will be used to understand and provide a rationale for women enterprises or businesses decision to shut down of operation as a result of COVID-19 pandemic. Women entrepreneurs businesses have the main goal of profit maximization, and as a result of the scourge of the global pandemic, this goal may not be achieved. The shutting down of businesses will harm their performance (financial and non-financial performance). The financial performance of women entrepreneurs businesses will be negatively affected as a result of low patronage due to fear of contracting the virus. Sales decline would occur, which would lead to low profit. Against the backdrop of low patronage, women into MSEs are left with no choice than to shift focus from routine operation to crisis management. This implies that many women entrepreneurs lose their business.

### **2.2.2 The Balanced Scorecard (BSC)**

Balanced Scorecard (BSC) suggests managers to view organization's performance from four dimensions, customer perspective, internal perspective, innovation & learning perspective, financial perspective (Kaplan and Norton 1996). BSC incorporates financial and non-financial measures in one measurement system. The objectives and measures of BSC are derived from an organization's vision and strategy. The Balanced Scorecard provides executives with a comprehensive framework that translates a company's vision and strategy into a coherent set of performance measures. According to Kaplan & Norton (1996) the balanced scorecard not only allows the monitoring of present performance, but also tries to capture information about how well the organization is positioned to perform in the future. Furthermore, the Balanced Scorecard has evolved to become a core management tool, in that it helps Chief Executive Officers (CEOs) not only to clarify and communicate strategy, but also to manage strategy. In practice, companies use the BSC approach to accomplish four critical management processes, clarify and translate vision and strategy, communicate and link strategic objectives and measures, plan, set targets, and align strategic initiatives and enhance strategic feedback and learning.

### **2.3 Empirical Review**

Kim, Kim, Lee, and Tang (2020) investigate the influence of macroscopic and infectious disease outbreaks on the restaurant industry's financial performance. Nine events on four outbreaks of epidemic disease were analyzed during the period 2004–2016. The method of event study and the Mann-Whitney U test were used respectively as research method and inferential statistic. They found out that confirmed the negative influence of epidemic disease outbreaks on the restaurant industry, and identified all the three firm characteristics serve as risk-mitigating factors.

Hope et al., (2020) on Coronavirus Pandemic Outbreak and Firms Performance in Nigeria, the research design adopted for this study was the mono-method quantitative research design with the help of a survey strategy. A survey research strategy was adopted for this study because it enabled the researchers to get information from respondents on the subject matter under investigation.

Aifuwa, Embele & Saidu,( 2018). Owners of private businesses and financial analyst in Nigeria made p the population of the study. The target population consisted of online business staff in Lagos State. Lagos state was chosen because it has the highest cases of the COVID-19 cases in Nigeria (NCDC, 2020).The sample size was scientifically derived using Crochan's (1977)size formula for an infinite population, which yielded three hundred and eighty-four (384). We analyzed the online questionnaire when the response rate was 100%. Nigeria. The Cronbach Alpha statistics were used to determine the internal consistency of the item of scale constructed in the questionnaire. Our hypotheses were tested using the non-parametric inferential Statistic–Linear regression after converting the categorical data into continuous data. The Statistical Package for Social Sciences (SPSS) version 21 was used to analyze the questionnaire.

The study advocates that COVID-19 pandemic negatively affects firm performance in Nigeria. The study, therefore, recommended that the government should include privates business in its stimulus packages or palliatives programs to keep private businesses in operation after the pandemic.

Saidu, and Hope (2020), investigate Coronavirus Pandemic in Nigeria, and their findings proposed a conceptual model in which businesses can use to help win the fight against the COVID-19 pandemic. The study concluded that SMEs can triumph in these turbulent times following the laid down health advice, and we pray the world heals of this pandemic in no distance time.

Muli, ( 2016) on factors affecting success and performance of women entrepreneurs in Kenya ,a case of bungoma south, A descriptive research design was used,stratified random sampling was also used and SPSS and excel software were used for analysis the population of the study was 12300 women entrepreneurs in bungoma town. The sample size of 370 determined from krejcie and Morgan table 1970 and randomly selected. Kyalo had the objective to investigate factors affecting the success and influence the performance of women entrepreneurs in Bungoma south. The study also identify other factors affecting and influencing performance of women entrepreneurs as lack of education training, lack of property ownership, competition from well-established enterprises and domestic commitment. The study advocates that lack of education,

domestic commitment are among the major challenges facing women entrepreneurs' performance.

The Covid-19 pandemic has caused unprecedented panic, and disruptions both for the public and private sectors. The crisis is considered an existential threat to the global economy with governments and businesses grappling with the effects. There has been growing apprehension as to the eventual impact of the pandemic especially for economies. While the health impact of the crisis is substantial, the economic effects are no less devastating especially for businesses. The pandemic has generated critical challenges for Micro, Small and Medium-Scale Enterprises (MSMEs) in Nigeria forcing many to shift focus from routine operations to crisis management and alternative business response efforts. The impact is already manifesting in the areas of sales/services, measures to cushion the adverse implications, opportunities, challenges, support measures and chances of business survival.

### **3. METHODOLOGY**

A descriptive survey research design will be used in this study to assess the performance of women entrepreneurs into MSEs in Gombe state. the research will employ a quantitative technique of collecting data, whereby questionnaires will be distributed to the women entrepreneurs (respondents).the data will be collected once this means the study will use a cross-sectional research design.

The population of the study will consist of 528 business women who are registered with the ministry of commerce, trade and industry Gombe state. The sample of this research will be calculated by using Taro Yamane (Yamane, 1973) formula with 95% confidence level. The sample size requirement in this study will be based on the selected statistical analysis technique that will be used that is, structural equation modeling (SEM). The sample size by substituting the numbers into the Yamane formula, the number of sample is 228 registered women.

This study will use questionnaires in collecting data Matrix questions in likert scale will also be used to determine levels of agreement or disagreement of items of analysis. The study will adopt closed-ended type of questions. The questionnaires will be administered by the researcher.

### **7. CONCLUSION**

The reality of coronavirus (Covid-19) calls for great measures and strategies to be put in place, for the survival of both humanity and businesses. This study will suggest ways for women in MSEs to cope with and improve their performance in this era of the Coronavirus pandemic, as well as micro and small enterprises (MSEs) account for 96 per cent of businesses, 84 per cent of employment and contribute 48 per cent of Gross Domestic Product (GDP) in Nigeria, according to the National Statistics Bureau. Their significant contribution to the Nigerian economy cannot be taken for granted. Economic crisis for MSEs is inevitable.

However, how deep and long the downturn will depend on the workability of measures to assist MSEs. The study will assist in policy formulation and development of a framework in terms of personal and organizational-related challenges, economic, social/cultural, and legal/administrative and other factors that affect the performance of

women entrepreneurs in MSEs. Moreover, the findings of this study will help the policy makers and other institutions on how to encourage establishing or expanding women entrepreneurs into MSEs.

The study will also help MSEs in Gombe state to gain an insight into the effect of covid-19 pandemic and its challenges on performance of women entrepreneurs so as to develop strategies on how to cope and flatten the curve. The study will as well assist academicians in broadening of the prospectus with respect to this study hence providing a deeper understanding of how covid-19 pandemic affect the performance of women entrepreneurs into MSEs in Gombe state.

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